

Carbon180

2018

Annual
Report

FROM OUR EXECUTIVE DIRECTOR

DEAR CARBON180 SUPPORTERS,

Since our founding in 2015, we've seen a transformation of the conversation about removing carbon from the atmosphere. We've recently found ourselves at the forefront of that dialogue, as a flagship organization for the scientists, policymakers, businesses, and civil society organizations who are asking what role carbon removal can and should play in responding to climate change. 2018 brought in new voices, more engagement, and greater demand for solutions that safeguard our climate and the economy. As this conversation has evolved, our team, our work, and our identity as a nonprofit have transformed with it.

This year, we embraced that change. Our programs took on new definition: We fleshed out and firmed up a network to perform the next generation of carbon removal research and development, set up new initiatives to drive innovation in land use and technology, and opened our second office in Washington, D.C. to be closer to the growing interest inside the beltway. We grew our address book, made the news, and saw ourselves become a bigger player on the climate stage. Through all of it, we learned the importance of staying focused on ideas and messages that spark hope for as many as possible.

All of this transformation converged in the big decision to change our name, and with it, to reimagine the possibilities of climate ambition. Carbon180 stands for a bold dream, to not only stop emissions but also build a new economy that captures more carbon than it emits.


Our team and I greatly appreciate the ongoing support and engagement you have offered our organization and the carbon removal field to reach this dream. In this report, we're excited to share our successes with you and provide insight into how our newly formulated identity and program structure will continue to yield rapid progress in a portfolio of carbon removal solutions.

SINCERELY,



Noah Deich
EXECUTIVE DIRECTOR





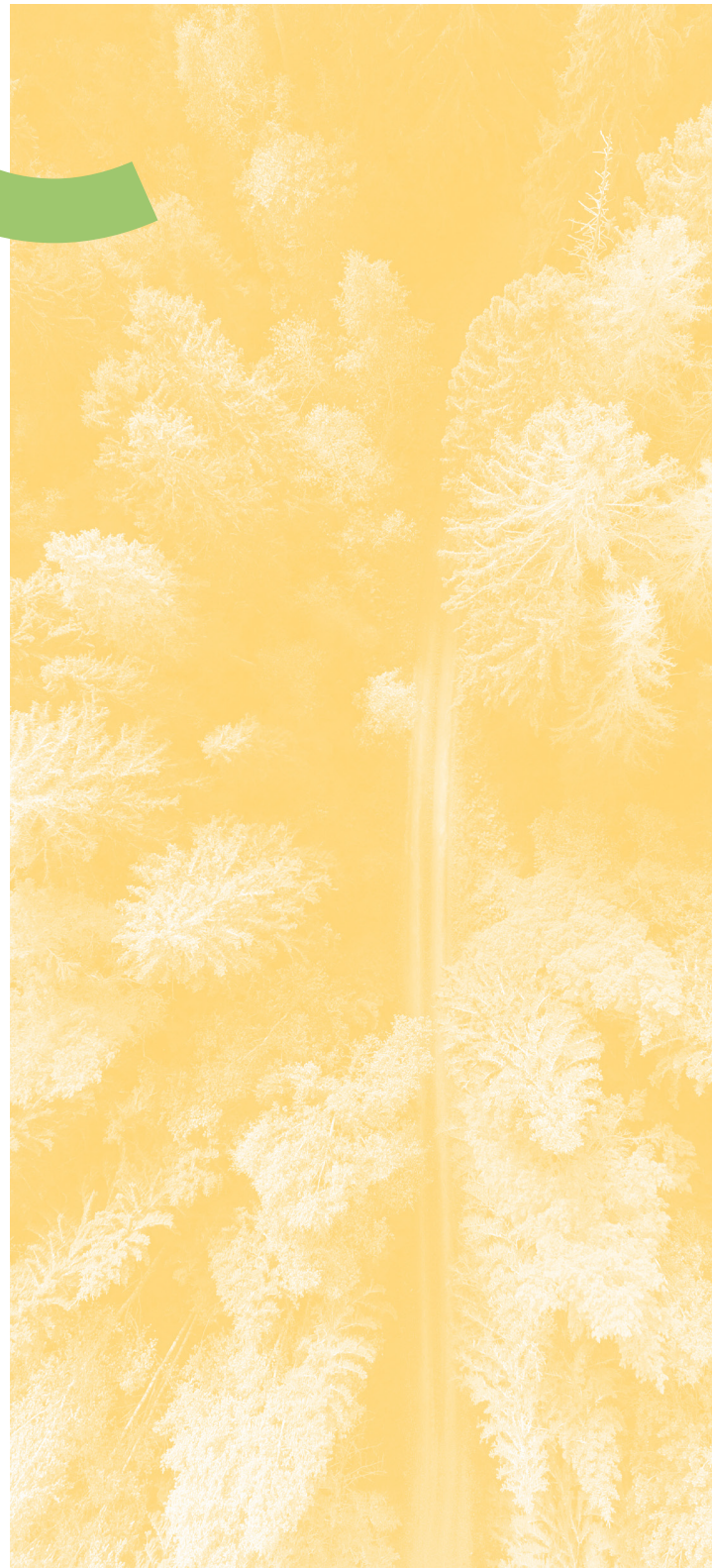
“Since 2015, Carbon180 has grown into a fully-fledged research, business and policy hub. Four years ago, carbon removal was considered a borderline fringe topic. Now, carbon removal is becoming an accepted part of climate change solutions, garnering legislative and investment support. In a transformative policy win last year, Carbon180 successfully pushed Congress to pass the 45Q legislation, the first major federal tax credits for capturing CO₂.”

MATT ROGERS
Founder of Incite Labs



Why carbon?

With more than 2 trillion tons of excess carbon dioxide in our atmosphere, climate change is a serious threat. If we only focus on reducing emissions, however, we're only having half the conversation. Carbon is more than just a pollutant—it is a fundamental part of the planet and our lives. With the carbon we draw from the air, we have the opportunity to power new industries, enrich our lands, and foster a prosperous world. This is why Carbon180 was created: to bring together the scientists, policymakers, and businesses to fundamentally rethink carbon.



Our Story

Despite how ambitious it may seem to some, we believe climate change can be fixed. While many passionate organizations focus on reducing emissions, climate goals can only be met by removing the carbon already in our atmosphere. The secret weapon, as we see it, is to present an undeniable economic case for action. Launched in 2015, Carbon180 brings together policymakers, scientists, and businesses around the globe to realize this dream and build an economy that runs 180° from the past.

We are



CARBON-FOCUSED

Our focus is carbon. We talk about its effects on our planet, the necessity to undo decades of misuse, and its potential as an innovative resource.



SOLUTION-ORIENTED

Sound science and thinking are a great start, but change can only occur when ideas are studied, developed and put into practice in the real world.



FORWARD-THINKING

We are not confined by precedent. We are constantly asking if there is a better way.



COLLABORATIVE

We know we can't do this on our own. We are at our strongest when we work alongside people with diverse perspectives and backgrounds.



CLEAR

Time is short and the world is a noisy place. Our messages are simple and easy to understand. Our goals and purpose are always transparent.



BOLD

We are passionate, fearless, and ambitious—but also open-minded to those who see things differently than we do.



“We’re moving from the early stage of *‘what is carbon removal?’* to figuring out what specific steps can be taken to get these solutions at scale.”

NOAH DEICH
in The New York Times

MISSION

To champion carbon removal solutions through science and innovation.

VISION

To build a prosperous, carbon-conscious economy that removes more carbon from the atmosphere than we emit.

OUR STRATEGY

Big challenges require big thinking. This is why we take a multisector approach to making change. Our work revolves around three focus areas—business, policy, and research—that reinforce and propel one another to produce faster and more enduring results.

RESEARCH

Scientific research helps societies uncover, test, and deploy the most promising and innovative climate solutions, in turn revealing where investment and policy changes can provide the most benefit.

BUSINESS

Businesses are the testing ground for yesterday’s lab experiments and hypotheses, providing the real-world contexts to illuminate gaps for future research and policy to fill.

POLICY

Well-thought-out policies at the federal and state levels can free up much-needed funds for scientific research and development, as well as the incentives for old and new businesses to adopt carbon removal practices.



Leadership

The Carbon180 team works closely with an engaged board of directors who are well-respected business, communications, policy, and science leaders.

OUR BOARD OF DIRECTORS

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Founder at Incite Labs

Dr. Jan Mazurek

SECRETARY

Clean Power Program Director
at the ClimateWorks Foundation

Ali A. Zaidi

VICE PRESIDENT [OUTGOING]

Of Counsel at Kirkland & Ellis LLP

Kate Gordon

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Jennifer Wilcox Worcester Polytechnic Institute

Our work

2018 marked a period of significant growth and change, both in the field and in ourselves. Thanks to your support and the work of our partners worldwide, we have a lot to be proud of this year.

Carbontech Labs

We took great strides toward realizing our ambition of kickstarting the carbontech industry, a new sector converting waste carbon into valuable products. Our team successfully set up a state-of-the-art accelerator, backed by 70 industry advisors and over a dozen entrepreneurs-in-residence, to provide commercialization support for early-stage companies. Applications rolled in from more than 70 of the world's best up-and-coming startups. We met many of them at a free skills training day, where we worked with them to understand their potential markets and refine their pitch decks. In the background, we worked to nurture a growing community of next-gen climate entrepreneurs and investors – our Market Sizing Report estimated the promising financial horizons for carbontech products, and our new Carbon Edge Newsletter kept everyone up to date with the latest news, analysis, and opportunities.

New Carbon Economy Consortium

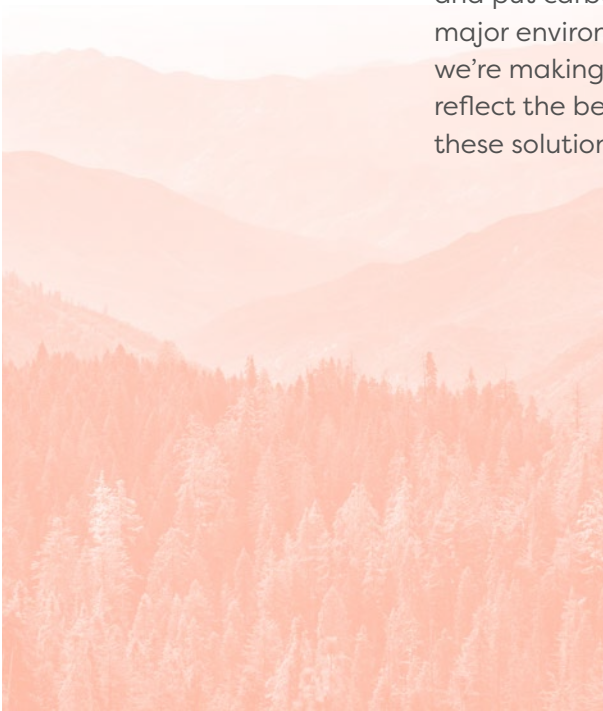
We formally launched the New Carbon Economy Consortium (NCE), our cross-institutional, multidisciplinary initiative to create a research and development engine for carbon removal across the United States. The Consortium was formed as an alliance of universities, national labs, and NGOs working in partnership with industry leaders to build a carbon-conscious world. Through a series of full-day workshops hosted at a half-dozen leading research institutions, we spoke with academics and businesses alike about the greatest knowledge gaps in their fields. From these conversations—and in close collaboration with authors at each of the 12 NCE institutions—we developed a new Innovation Plan that outlined time-phased research projects to close these gaps and present a playbook for the Consortium's 2019 priorities.

Leading with Soil

We launched Leading with Soil, our new initiative bringing together science, education, and policy to help farmers and ranchers in the Rocky Mountain states adopt soil health practices. We spent the first year of the initiative building relationships and partnerships with local groups, learning the local context, and understanding the challenges of implementing soil health practices. In partnership with local groups in Montana, we hosted a series of educational workshops that brought together land managers, scientists, and rural development experts to learn from one another, disseminate the best available science on soil health, and empower producers to bring more resilience to their land, operations, and the climate. We are expanding that work to Colorado and New Mexico in the coming months and working to ensure lessons learned are shared across states quickly.

Our Policy Shop

We opened a second office in Washington, D.C., where our team is leading ongoing efforts to create top-down support for carbon removal. Over the year, our on-the-ground experience and technical expertise proved invaluable to legislators working on significant policy action. Along with a broad coalition of NGOs and industry leaders, we helped pioneer the first-ever federal incentives for direct air capture. Our testimony before Congress helped shape a second bill that would extend this support even further, and though it hasn't passed yet, it has more people on Capitol Hill talking about beneficial ways to capture, store, and put carbon to use. Through our educational outreach with major environmental organizations and congressional offices, we're making sure the carbon removal policies of the future reflect the best possible research and wisdom on how to bring these solutions to life.

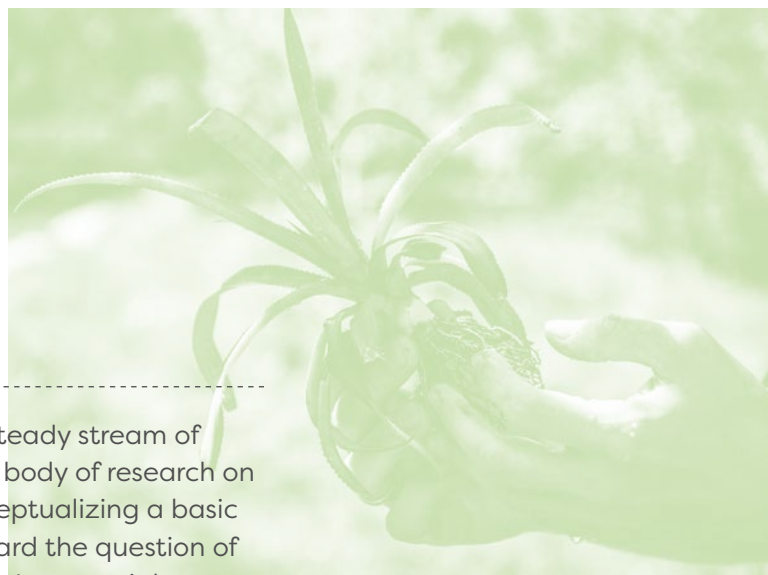


Looking Forward

2018 ushered in a new paradigm for carbon removal. A steady stream of academic work added to the already large and growing body of research on the topic. Where the focus in the past had been on conceptualizing a basic need for carbon removal, new scholarship moved us toward the question of how we can deploy these solutions and on what timeline. In a special report, the Intergovernmental Panel on Climate Change reaffirmed its mandate for carbon removal, reminding us once again of the urgent need to reduce and remove emissions if we are to prevent the worst impacts of climate change. Soon after, the National Academies of Sciences, Engineering, and Medicine produced a report identifying the programs and funding required for scaling these approaches. These and other research contributions built out an impressive and detailed agenda for the work to come.

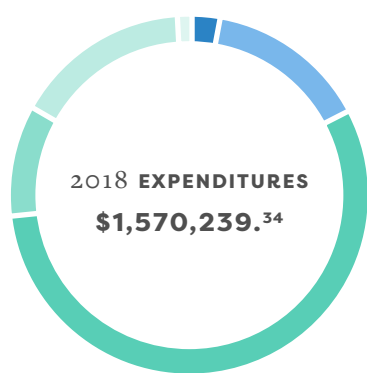
This shift toward greater action was matched in the policy, business, and philanthropic communities. 2018 saw the first public incentives for capturing carbon, historic partnerships between carbon removal companies and major corporations, and unprecedented attention from Silicon Valley. Startup accelerator Y Combinator issued a call for carbon removal startups, while California's Strategic Growth Council offered \$17 million in grants for carbon removal research and pilot projects. There were expansions to existing commercial efforts, with new applications for carbon capture being unveiled in places such as Europe and Canada. These and more announcements created significant buzz in the media, and plenty of new voices chimed in to offer both support and skepticism about the potential opportunity and promise.

In 2019, we plan to grow our initiatives and partnerships to foster greater policy support in D.C., resolve the technical barriers and knowledge gaps in academic research, and bolster on-the-ground adoption from entrepreneurs and land managers. That said, with awareness of the field growing and progress happening on so many fronts, we expect the conversation about carbon removal to grow more, not less, complex. As civil society joins in, research diversifies, and more companies look to define their own responses to climate change, support for carbon removal is sure to face many challenges. And while this is bound to make our role as champions more difficult, it also makes it more pivotal and essential than ever. We're excited for what's to come.



Financial Transparency and Responsibility

The successes outlined in this report would not have been possible without the gracious support of our donors. Carbon180 is committed to fiscal responsibility and integrity, so we work hard to minimize the organization's operational expenses and maximize the impact of our budget. Accordingly, we aim for complete transparency in detailing how we put your donations to work.



● FUNDRAISING & DEVELOPMENT	\$42,237. ⁴⁸	3%
● ADMINISTRATIVE	\$233,391. ⁴⁸	15%
● PROGRAMS:	\$1,294,610. ³⁸	82%
● RESEARCH & ANALYSIS	\$860,099. ²⁶	55%
● COMMUNICATIONS	\$172,644. ⁴⁵	10%
● CONFERENCES & WORKSHOPS	\$249,180. ⁹⁰	16%
● LOBBYING	\$12,685. ⁷⁷	1%



● FOUNDATION GRANTS	\$1,756,774. ⁰⁷	92%
● CORPORATE DONATIONS	\$85,589. ⁰⁵	5%
● INDIVIDUAL DONATIONS	\$18,198. ⁵⁰	1%
● CONSULTING FEES	\$40,000. ⁰⁰	2%

2018 ASSETS

CASH	\$726,441. ²²
OTHER CURRENT ASSETS	\$21,542. ¹³
TOTAL	\$747,983.³⁵

2018 LIABILITIES AND EQUITY

CURRENT LIABILITIES	\$29,149. ⁷⁹
TEMPORARILY RESTRICTED NET ASSETS	\$694,946. ⁷⁴
UNRESTRICTED ASSETS	\$23,886. ⁸²
TOTAL	\$747,983.³⁵